

Michigan OFFICE OF COMMUNITY DEVELOPMENT

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CITY OF DEXTER AND DEXTER CHAMBER OF COMMERCE DEXTER, WASHTENAW COUNTY, MICHIGAN REQUEST FOR PROPOSAL RETAIL MARKET ANALYSIS AND DEVELOPMENT PLAN

Sealed proposals for a "Retail Market Analysis and Development Plan" will be received by the City of Dexter and Dexter Chamber of Commerce up to 10:00 A.M. on June 30, 2015, at which time they will be publicly opened and read at the City of Dexter offices at 8123 N. Main Street, 2nd floor, Dexter, MI 48130.

Please mark sealed envelopes: "Dexter Retail Market Analysis/Plan 2015" on the lower left hand corner. In addition, if the proposal is to be express mailed, "Proposal Documents Enclosed DO NOT OPEN" must be conspicuously marked on the package. Faxed proposals will not be considered or accepted.

The City of Dexter and Dexter Chamber of Commerce reserves the right to reject any or all proposals, to waive any informality in the proposal received, and to accept any proposal or part thereof, which it shall deem to be most favorable to the interests of the City and/or Chamber.

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OVERVIEW

The City of Dexter and Dexter Chamber of Commerce are seeking a qualified professional consultant to conduct a retail market analysis and development plan that will serve to achieve the vision for retail development, as set forth in the Dexter Master Plan and Dexter Downtown Development Authority (DDA) Strategic Development and Tax Increment Financing Plan.

The analysis cannot be conducted in a vacuum. Therefore, the analysis must report on the current status of retail throughout the City, identify actual spending habits of those already living in or shopping in the area, and identify potential retailers that meet the demand of the market and the community's vision of downtown as a vibrant, diverse, mixed-use center/destination.

The retail development strategy shall include recommendations marketing materials and/or business attraction strategies that can be used by Dexter to draw their interest to the downtown.

BACKGROUND

Located along the banks of the Huron River and Mill Creek, the City of Dexter is a small town in western Washtenaw County, approximately 8 miles west of Ann Arbor. Dexter has a growing population. The City experienced a 74% increase in population between 2000 and 2010, growing from 2,338 to 4,067. The population increased another 16% by July 2014, growing to 4,731, according to SEMCOG. The city boundaries encompass a total area of approximately two (2) square miles.

Dexter has a historic, picturesque downtown, existing client base, and strong traffic flow generated by northern Washtenaw County and southern Livingston County residents accessing I-94 via downtown Dexter. However, the City faces a number of challenges in maintaining a vibrant downtown, while preserving its small town charm. There is the relocation of Busch's Grocery Store, from its downtown location to a site south of downtown, but closer to I-94; not to mention strong retail offerings in Ann Arbor and Chelsea, and along the Jackson Road corridor in Scio Township. All of which result a very competitive environment for retail spending in Washtenaw County.

For a small town, Dexter's economy is diverse, with professional services, retail, and automotive parts and medical devices manufacturing, and value-added agricultural establishments, such as Northern United Brewing Company, home of Jolly Pumpkins Artisanal Ales and North Peak Handcrafted Brews and Dexter Bakery, among others.

In recent years, Dexter has emerged as a regional entertainment, cultural and recreational destination; a dynamic place to live, work and play. The downtown boasts an assortment of restaurants, retail shops and galleries that, together with streetscape improvements, contribute to a pedestrian friendly environment and enhance the shopping experience. The downtown also hosts a successful Farmers' Market and well attended seasonal festivals. The Market is a source of community pride, offering shoppers an array of goods, from fresh fruits and vegetables to farm fresh eggs and maple syrup. Dexter Daze and Civil War Days are but two of the seasonal festivals that draw hundreds of visitors to the downtown every year. Dexter's award winning Mill Creek Park is a 2.15-acre park located beside the Mill Creek, which flows into the Huron River. One of the Parks' most coveted and utilized amenities is the ¼-mile pedestrian path that leads visitors across the Mill Creek and through wetland habitat, before connecting them to the West Ridge neighborhood or an additional 5 miles of trail, which leads to Hudson Mills Park, a Huron Clinton Metroparks Authority (HCMA).

Over the last 30 or so year, the City and DDA have worked hand-in-hand to improve the downtown business district aesthetically and functionally. A beautiful streetscape with plenty of on-street parking and wide sidewalk compliment the historic architecture in the downtown. One of the goals of the City and DDA has been to move existing manufacturing businesses out of the downtown and redevelop those properties to increase residential living and retail opportunities in the downtown.

The last retail market analysis in Dexter was conducted in 2006, as part of its DDA Development and Tax Increment Financing Plan. At that time, there were at least two factors that impacted that study. These factors also contribute to the need for the study to be updated presently.

- Factor 1: The retail market study and subsequent analysis was done prior to the Great Recession. The impact of the Great Recession on the economy is widely recognized; signification job loss occurred and, directly proportional, disposable income was dramatically reduced and in many cases eliminated. Even now, consumer confidence continues to lags behind what it was in 2006.
- Factor 2: The study occurred at the same time the Harvest Valley proposal was being considered. The Harvest Valley proposal called for a wide range of potential land uses, including up to 575 single and multiple family residential units, neighborhood commercial, limited industrial and research and development. The amount of acreage and square footage to be developed for the non-residential uses was not defined. Although this development did not happen, the potential impact on retail in the City (then Village) at that time could not be ignored.

SCOPE OF WORK

The scope of work includes the following:

- Review and report on the current status of retail in the City, including, but not limited to, land use, space allocation, vacancies, lease/rental rates, current retail mix and planned developments.
- Define primary, secondary and potentially tertiary trade areas. Trade areas should be identified with consideration of population, proximity to other competing business districts, destination attractions, traffic patterns, drive-times, retail mix, store sizes and sales volumes, and actual customer data. Data derived from actual customer spending in the City of Dexter is preferred.
- **Develop customer profiles**. The customer profile information should include detailed demographics, lifestyle segmentation data, actual customer spending habits, and any other information deemed pertinent by the selected consultant.
- An analysis of the trade areas should identify new potential customers and additional market sales potential derived from the customer profile data and actual market supply and demand data.
- Develop a proposed retail development plan will help the Chamber and City realize the communities vision for retail development, meets the demand of the market, and considers the characteristics of the customers within the identified trade areas. The plan should identify retail categories, niches, and specific retail stores within those groupings to target for marketing. The strategy should also identify specific potential locations and spaces for targeted retail that considers all data gathered.

DELIVERABLES

- Dexter Retail Market Analysis
- Dexter Retail Development Strategy
- Hard copies and electronic copies of the Analysis and Development Plan

SUBMITTED WITH PROPOSAL

- 1. A brief history of your organization
- 2. The qualifications of personnel who will be responsible for directing operations
- 3. A sample contract relevant to this scope of work
- **4.** Listing of at least (3) client references within the past (5) years, including:
 - a. Client name and address
 - b. Itemized dollar value of project
 - **c.** A statement of whether or not all deliverables were provided within budget with necessary explanations
 - d. Samples of work, such as screenshots or printouts
- 5. Additional work samples, such as screenshots or printouts
- **6.** Work plan summary of recommended approach to accomplish the work of this request (limit 5 pages)
 - **a.** Include tasks, methodologies and a description of Chamber and City/stakeholders involvement in the process. Please include the number of meetings proposed to complete this project.
- 7. Fee quotation for the services outlined in this request. If any additional services are proposed by your company, please outline these and their costs as separate from those services requested in this RFP.

BUDGET

Project expenses are not expected to exceed \$12,500 USD. Cost will be an important evaluation criterion.

TENTATIVE TIMELINE

- 1. June 30, 2015 Proposals due by 10:00 a.m. EST (8123 N. Main St, 2nd Flr)
- 2. July 16, 2015 Contract awarded at DDA meeting (7:30 am)
- 3. July 27, 2015 Work begins (following execution of contract)
- 4. September 2015 Retail Market Study Report Presented